

Chinese, Soviet Aides Trade Charges at Nairobi Talks

By Michael T. Kaufman

NAIROBI, May 12 (NYT)—China and the Soviet Union clashed at the United Nations trade conference yesterday, with the Chinese accusing the Russians of using détente as a "smoke screen" for "wild ambition, unbridled aggression and expansion" and Moscow calling Peking "a harbinger of a new world war."

The exchange at the UN Conference on Trade and Development marked a sharp intrusion of political and ideological differences into the moderate discussion of commodities, buffer stocks and debt burdens.

The head of the Chinese dele-

gation, Chou En-lai, who is deputy minister of foreign trade, addressed the 185 delegates in the Kenyatta Conference Center with an analysis expressing opposition to "plunder and exploitation by imperialism, particularly the superpowers."

Mr. Chou endorsed the Manila declaration, a draft document in which 111 developing nations outlined mechanisms for altering what they regard as exploitative and monopolistic trade patterns weighted to their disadvantage. Mr. Chou then lashed out at both the United States and the Soviet Union without naming either.

Alluding to the United States, he said: "It endlessly preaches interdependence as the core of maintaining international order and alleges that global prosperity rests on its leadership. To put it bluntly, it means nothing but to maintain the control, plunder and exploitation against developing countries."

In these sentiments, he reflected the views of the nonaligned conference, a bloc of 11 underdeveloped countries identical to those represented here by the so-called Group of 77. But while these countries have sent their finance ministers and bankers to the trade conference, they will be sending more radical and politicized spokesmen to the non-aligned conference scheduled for Colombo in August.

However, it was against the Soviet Union, "the other superpower," that Mr. Chou delivered his angriest attacks. "On the one hand," he said, "it uses such political swindles as 'relaxation of tension' and 'disarmament' to divert the direction of the struggle of the Third World against imperialism."

On the other hand, it peddles its old wares such as 'international division of labor' in a vain attempt to establish a social imperialist system with itself as the sole overlord."

In anticipating the Soviet position that the current disarray in the world economic system is the responsibility of capitalist states, Mr. Chou said that the Soviet Union sought to evade its criminal responsibility as one of the biggest international exploiters of the present world.

Soviet Minister of Foreign Trade Nikolai Patolichev ignored the Chinese remarks for most of his speech, asserting that economic growth could take place only against the backdrop of détente and disarmament. But when he had finished, he extemporized on the Chinese speech.

"That policy has earned the recognition of the peoples of the whole world and has become the law of the century. And it is only this policy that can ensure the solutions of international problems and these include the problems of trade and development. These problems cannot be resolved by vociferous proclamations that take us from the practical discussions of the task facing us. The slanderous attacks against the Socialist countries are designed to undermine the cooperation between Socialist and developing countries."



UPI. Nikolai Patolichev, Soviet minister of trade, at Unctad.

India, Pakistan Talks Reopen

ISLAMABAD, Pakistan, May 12 (Reuters)—India and Pakistan today reopened a direct dialogue after a 12-month break, and reaffirmed their commitment to normalize relations.

A joint statement after the first round of talks at the Foreign Ministry here gave no hint as to how they were progressing, but there was a mood of cautious optimism in both delegations that the talks would achieve positive results.

The two nations had a preliminary exchange of views on restoring diplomatic ties, civil aviation links and land communications. The statement said Indian Foreign Secretary Jagat Mehta and Pakistani Foreign Secretary Agha Shahi reaffirmed the belief of their governments in normalizing relations in the interests of establishing a durable peace.

3 Killed by Rifleman On a Tennessee Street

KNOXVILLE, Tenn., May 12 (AP)—A Korean war veteran, described by his mother as suffering from shell shock, was held on \$1-million bond today after allegedly firing rifle shots into a crowd, killing three persons and wounding two others.



Controversial settlement at Camp Kadum in occupied West Bank, established without approval by Israeli rightists.

News Analysis

Israel's Policy on Frontiers Mapped Out by Settlements

By Terence Smith

JERUSALEM, May 12 (NYT)—Anyone curious about how Israel's leaders envision the country's future and final borders need only look at a map of the 68 Israeli settlements established in occupied Arab territory since 1967. Connect the dots marking the settlements—just as in the children's game—and the new frontiers emerge.

The 33 settlements strung along the length of the Golan Heights illustrate Israel's intentions there. The 17 settlements along the Jordan Valley demonstrate its intention to retain a "security belt" along the length of the river and the western shore of the Dead Sea.

The clusters of settlements in the Ramat-Haheron area, around the perimeter of Jerusalem, and in the Latrun bridge, tell the story there. In the Gaza-Rafah area, 14 new settlements speak more eloquently than any political statement. In the Sinai, there is

a settlement near El Arish and three strung along the length of the Gulf of Aqaba down to Sharm el-Sheikh. Draw a line through them and Israel's final fallback position in the Sinai becomes clear.

No Israeli leader can or will publicly acknowledge that this is the case. Three Israeli governments over the last nine years have declined to make a definitive statement of Israel's territorial ambitions, and no change is likely now.

But in private, there is no such reluctance. Israel's top policy-makers will readily concede that the settlements are meant to define the future borders. It is no secret here, even though it has never been publicly stated. Officially, in fact, Israel's spokesmen repeatedly insist that the settlements will never stand in the way of peace. The implication is that the Israelis would be prepared to relinquish them in exchange for a peace agreement. But history and political realities suggest otherwise.

Prime Minister Yitzhak Rabin in effect confirmed this last month during a visit to the Jordan Valley settlements. "None of these settlements has been established in order to be taken down again," he told the settlers. When asked by the settlers whether they should go ahead with their plans to plant olive trees, which take seven to eight years to bear a crop, Mr. Rabin's reply was categorical: "Plant olives."

The settlements represent the tangible reality of Israel's post-1967 policy. They are the hard political facts on the ground and, in a sense, everything else is talk.

\$500-Million Project
All 68 of the existing settlements were approved by the government, which has so far spent an estimated \$5 billion Israeli pounds (nearly \$600 million) on their development. No government, least of all one as financially pressed as the one in Israel, spends that kind of money capriciously.

In the opinion of informed Israelis, it is conceivable that Israel might someday voluntarily relinquish one or two of the settlements in the context of a peace agreement with the Arabs. But most, if not all, are designed to remain where they are.

In addition, despite the mounting criticism in the United States and elsewhere of the settlement policy, Israel is planning more than a dozen new settlements throughout the occupied areas. The government is keenly aware that this is likely to cause further friction with Washington, but it seems determined.

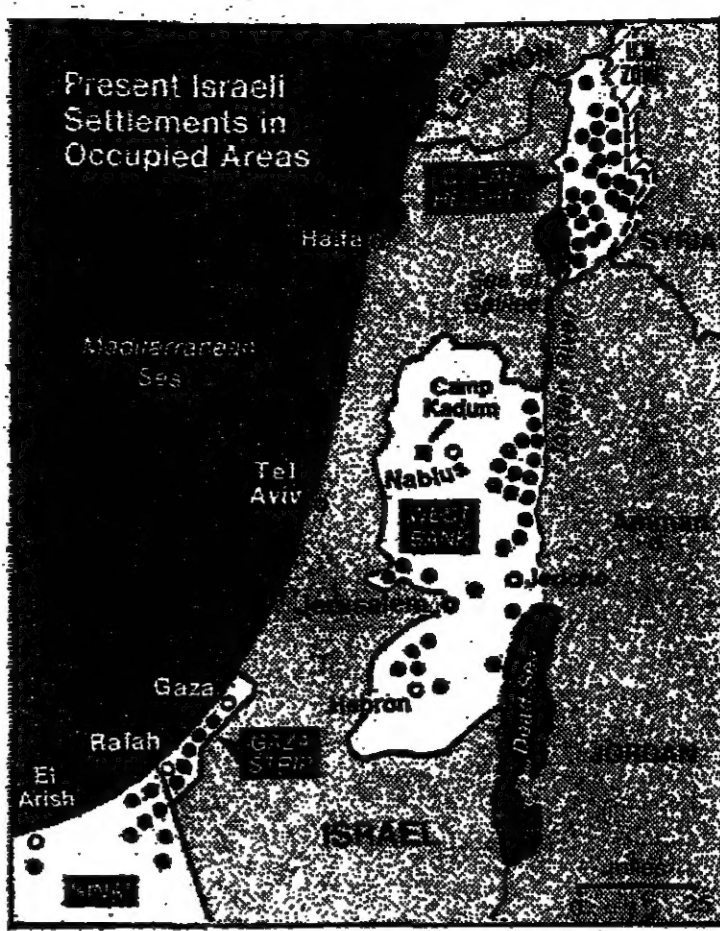
It is against this background that the current debate over the controversial settlement at Camp Kadum, near Nablus, can be understood. The controversy is not over the wisdom of the settlement policy; a broad consensus favors that. Rather, the argument is whether the 68th settlement should be at Kadum and whether the government or pressure groups will decide settlement policy.

Future Negotiations
The site is important because it is on dead center of one of the last unsettled areas still open for territorial concession in some future negotiation. Studying the settlement map, it is clear that only two such areas remain—the Sinai and the central, heavily populated portion of the West Bank, where most of the 68 settlements are located. Kadum is in the heart of the latter.

On the West Bank, the Israeli policy since 1967 has been the Allon plan. First proposed by Yigal Allon, now deputy prime minister and foreign minister, shortly after the 1967 war, it calls for a 10- to 12-mile-wide "security belt" of settlements along the Jordan River and settlements in the sparsely populated areas of strategic significance elsewhere on the West Bank. It would leave open for eventual return to Arab control an hourglass-shaped piece of territory in the heavily populated heart of the West Bank. Kadum, therefore, threatens the Allon plan. If a settlement is to be established in the heart of this central portion, one of the last negotiable pieces of unsettled real estate will be nailed down for eventual incorporation into Israel. This is exactly what the zealous nationalists Kadum settlers want to accomplish.

Peru Military Regime Grants Amnesty to 34

LIMA, May 12 (AP)—Peru's moderate leftist military government has granted amnesty to four prominent journalists and 30 other political prisoners. It was the second move toward press freedom since Gen. Francisco Morales Bermudez and other moderate officers overthrew Gen. Juan Velasco in August.



Since the 1967 war, Israel has set up 68 settlements (shown by dots) in occupied territories. Four are off this map, one is west of El Arish, three are in south of Gulf of Aqaba. Sites of proposed new settlements were not given.

Malagasy's 'Little Red Book' Shows Way to One-Party Rule

TANANARIVE, Malagasy Republic, May 12 (Reuters)—Within a year, the Malagasy Republic has gone from a liberal state once under French rule to a Marxist-oriented country owing its inspiration largely to the principles of Mao Tse-tung.

The foundation for a single-

party state would be a projected "national front" to spearhead the Socialist movement.

The national front would seek to represent all political tendencies within the Indian Ocean republic in spite of the diverse elements in the country and the deep differences separating its leading personalities.

The Malagasy Republic, the world's fourth largest island, has moved to the left since the assassination of former President Richard Ratsiraha last year and the take-over by a naval officer, Lt. Col. Didier Ratsiraha.

In December, Malagasy voted overwhelmingly in a referendum for a democratic republic based on the principles contained in the "Little Red Book of Madagascar," which derives its inspiration from Maoism and the thoughts of North Korean leader Kim Il Sung.

Observers noted that the new 18-member government and 12-member council reflected the aspiration for national unity in a country often riven by tribal differences.

President Ratsiraha warned in March that minority groups "should shut up from now on" after the proposals in the referendum received 95-per-cent approval.

It was the fall of former President Philibert Tsiranana in May, 1972, that led to increasing leftist governments. This movement culminated in the military dictatorship that took over after the assassination of Col. Ratsiraha.

The referendum gives President Ratsiraha control of legislative policies and makes him the leader of the armed forces.

The new President has frequently said that the front directing the revolution must attain national unity "through and against everything," based on the principles outlined in the "Little Red Book." Thus, any opposition is ruled out.

Concessions Required
Politicians here say the national front could be set up quickly if political leaders made concessions and moved toward the philosophy set out in the "Little Red Book." The President, however, apparently feels that if necessary, the front could come into being with or without the political parties.

Observers believe the President is anxious to include non-party delegates in the front representing what he regards as the majority of the people, especially in rural areas.

The effort to bring various political tendencies within one grouping may prove to be difficult in Malagasy. There is the extreme right, which includes leaders of former regimes; the moderate right, desiring close ties with France; the left, which generally supports the present administration; and the extreme left, which wants to move swiftly toward the setting up of a "dictatorship of the proletariat."

Press Job for Swede
PHILADELPHIA, May 12 (AP)—Olof Wahlgren, editor and publisher of the Sydsvenska Dagbladet of Malmö, Sweden, was elected chairman of the International Press Institute today.

Soviet Court Rejects Physicist's Appeal
MOSCOW, May 12 (Reuters)—A Moscow court today dismissed an appeal by physicist Andrei Tverdokhobov, sentenced last month to five years' internal exile for slandering the Soviet state, friends of the defendant said today.

They said the hearing, which lasted one hour at the Russian Federation Supreme Court, took place in the absence of Dr. Tverdokhobov and his lawyer.

OPEC Pledges \$400 Million To a Third World Food Fund

By Clyde H. Farnsworth

PARIS, May 12 (NYT)—The Organization of Petroleum Exporting Countries decided yesterday to commit \$400 million to an international fund to finance projects to increase food production in developing countries, OPEC sources said today.

The decision of OPEC's finance ministers at a special meeting here had been eagerly awaited as the signal that the new International Fund for Agricultural Development would go into operation after months of negotiations.

Conceived at the World Food Conference in November, 1974, the fund represents a major cooperative effort by oil-producing countries and Western industrial countries to build up Third World food supplies.

\$1-Billion Projects
Altogether, \$1 billion is to be put into projects over a three-year period to reclaim land, improve irrigation, develop new seeds and improve rural farming techniques, according to officials of the World Food Council, which helped in the creation of the new fund.

OPEC sources said that Ibrahim Shihata, a senior adviser to the Kuwaiti Fund for Arab Economic Development, would fly to the Rome headquarters of the World Food Council to inform the council officially of the OPEC decision.

A council official said that the fund would be formally established in June by Secretary-General Kurt Waldheim of the United Nations.

In addition to the \$400 million, Saudi Arabia and Iran have promised \$50 million each, raising the total contribution by OPEC countries to \$500 million.

These two OPEC founding members had the initial idea for the fund, conditioning participation, however, on contributions by the industrial countries.

Little enthusiasm was expressed in Western circles until Secretary of State Henry Kissinger announced a year ago in Paris that the United States would give \$300 million.

Other Pledges
Over the last 12 months, most of the major Western countries have also made pledges. The largest being \$50 million by West Germany, \$40 million by the Netherlands and \$30 million each by Canada and Britain.

Japan has said it would contribute a substantial amount, but has not named a figure.

Only France, among the leading Western industrial powers, has opposed the idea of the fund. The French have not for-

mally stated any reason for their objections, but they have emphasized forms of assistance to poor countries.

The new fund is to be set up as a special agency of the United Nations. Disbursements will be an advisory board of 18 members—OPEC, six from non-oil-producing developing countries and from the industrial nations.

Udine Area Is Struck by New Tremors

UDINE, Italy, May 12 (AP)—New earth tremors struck east Italy today, killing one person and injuring 10 others.

The Udine prefecture said no additional deaths were by the latest tremors. One was injured at least in the Udine area.

Police had feared the persons might have been killed but the reports proved wrong. Landslides on the road were reported by the Udine prefecture.

The tremors measured 3.2 and 3.5 on the Richter scale and brought the aftershocks recorded last Tuesday's 6.5-point destruction. 28 towns had in the Udine region, including Udine and Torgiano.

576 Bodies Found
Police said that 576 bodies had been recovered from the 1,388 persons were. But the Udine prefecture said that the bodies were recovered from the 1,388 persons were.

The strongest of the shocks came at 11:44 a.m. and was followed by a series of smaller shocks.

Chaos opened in the Udine area and one of the gullies a military jeep overturned and escaped unhurt.

The Health Ministry said that there were reports of infectious diseases in the quake zone and that five measures were taken.

It said that a hospitalized Monday with terminal illness had a simple and not typhoid.

A German Soldier Is Injured By Own Bomb at U.S. Radar

MUNICH, May 12 (AP)—A 19-year-old West German soldier was seriously injured last night when he was carrying explosives near the Munich studio of the American Forces Network (AFN), officials said today.

There were no other injuries and damage to the building was slight, according to Karl-Heinz Stocker, who is in charge of the investigation.

Mr. Stocker denied earlier reports that the soldier, identified only as Dieter K., had lost a leg in the explosion last night. The soldier underwent emergency surgery for severe injuries to his left side and thigh, Mr. Stocker said.

The soldier had been under investigation on suspicion of illegal possession of a weapon in another case, the prosecutor's office said.

Under questioning, the soldier first said that he had found the bomb. Later, he admitted making the device himself, the prosecutor's office said.

It was not known if the incident was related to the death Sunday of anarchist Ulrike Meinhof. Her body was found hanging in a Stuttgart prison cell. She and three others had been on trial for terrorist attacks carried out during the early 1970s, including attacks on U.S. military headquarters in Frankfurt and Heidelberg in which four U.S. soldiers were killed.

The West German government said that Mrs. Meinhof committed suicide, but her lawyers charged that she was murdered by the government.

Police prevented a demonstration by about 200 leftists in West Berlin last night, but there were clashes for several hours.

Conditions Assailed
DUESSELDORF, May 12 (Reuters)—Four West Germans on trial here for murder said today that their conditions of imprisonment could lead them to commit suicide, like Mrs. Meinhof.

Icelandic Boat Fires At U.K. Trawler's Bow
REYKJAVIK, May 12 (Reuters)—An Icelandic patrol boat fired a shot across the bow of the Hull trawler *Prinzessa* off the northern coast of Iceland today, officials here reported.

They said the 78-ton trawler had ignored an order to stop in preparation for arrest while fishing inside the Iceland-imposed 200-mile limit.

The officials said that after the shot was fired a British reconnaissance plane flew over and threatened to shoot at the patrol boat.

Concorde Run
LONDON, May 12 (AP)—British Airways said today that the Concorde will fly from London to Washington twice a week, or the planned once-a-week, beginning May 24.

The U.S. Department of Transportation has given an order for 16 months of Concordes to New York and Washington. An experimental basis, officials in New York have said.

After the inaugural flight on Thursday and Saturday and depart from London on Fridays and Sunday flights each week introduced in October, it said.

THE "JORGE DE BRITO" CASE

A PORTUGUESE BUSINESSMAN IN PRISON FOR OVER 500 DAYS WITHOUT BEING JUDGED

He surely is one of the principal victims of the political events which have taken place since the 25th of April, 1974, although he had believed, as many others, in the possibility of evolution and changes taking place on this date.

He preferred to remain in Portugal regardless of the difficulties that were to come.

His crimes: brilliant and young financial businessman, —major shareholder and President of the "BANCO INTERCONTINENTAL PORTUGUES" (B.I.P.), owner of the "O SECULO" daily and the "SOCIEDAD NACIONAL DE TIPOGRAFIA" (printing firm) and others...

—he refused to sell his daily "O SECULO" to the Portuguese Communist party, and was in disagreement with the economic policies of the Portuguese government.

- 1° The 9th of October, 1974, his bank has been nationalized, with all others in the private sector, without indemnisation;
- 2° They confiscated his private belongings to guarantee the "liabilities" of the bank.
- 3° They imprisoned him on December 13th, 1974, after what was called "The night of the long knives" following personal orders of Prime Minister VASCO GONCALVES;
- 4° The Portuguese Communist party took the "O SECULO" daily from him in February, 1975;
- 5° All his business enterprises were undermined, accusing him of bad management;
- 6° The B.I.P. is going to disappear and be absorbed by the BANK OF ANGOLA, against the shareholders' and employees' interest and wishes.

WHAT DO JORGE DE BRITO, HIS FAMILY AND HIS FRIENDS WANT?

A CLEAR, OBJECTIVE AND QUICK TRIAL IN ORDER TO PROVE HIS INNOCENCE AND ONCE AGAIN CONTRIBUTE TO THE GROWTH AND FUTURE OF PORTUGAL.

The International Association for JORGE DE BRITO.

John Smith

Tax Chief in U.S. Is Opposed to Telling 11,000 of Abuses

By John M. Crawford

WASHINGTON, May 12 (UPI)—Donald Alexander, commissioner of the Internal Revenue Service, said yesterday that he might not tell the 11,000 individuals and organizations that tax examiners improperly singled them out for special attention because of their ideologies.

Mr. Alexander told the House committee on Government Information and Individual Rights that the 11,000 files, compiled between 1965 and 1973 by the Special Services staff of the IRS, were "outdated and useless" and in his opinion ought to be destroyed.

But the commissioner said he would agree to a request by Rep. Bella Abzug, D-N.Y., the subcommittee chairman, to keep the files intact until Congress acted on her bill requiring the IRS and other federal agencies to notify victims of illegal surveillance and other improprieties directed against them.

Senate Report

Mr. Alexander, who abolished the Special Services staff shortly after he became commissioner in 1973, testified as the staff of the Senate Select Committee on Intelligence Activities released a report that termed the secret tax unit "the principal instance of the use of the IRS for a fundamentally improper nontax purpose."

The selective enforcement of the tax laws against political dissidents, which the committee said was begun under President John Kennedy but reached its peak during the administration of Richard Nixon, was but one element in what the report termed a "serious and illegal abuse of IRS investigative powers that had led to a compromise of the privacy and integrity of the tax return."

An IRS spokesman said that his organization had made "a limited review" of the report and believed it to be "a comprehensive and constructive analysis of certain IRS activities." But he added that "the service is now operating effectively under proper controls" and would "not repeat any errors of the past."

The Senate staff also made public a separate report disclosing that the National Security Agency has continued to review "many communications to, from or about" Americans in the course of its monitoring of foreign radio and telephone transmissions.

But the staff said that the NSA, which is charged with insuring the security of U.S. military and diplomatic messages abroad, had balked at its three principal programs aimed at intercepting domestic communications, and that the number of such messages now overheard by the NSA or disseminated to other federal agencies had been "minimized."

The Senate report said that targets of the IRS Special Services staff were selected mostly "because of their political activities, rather than because specific facts indicated tax violations were present."

But the 3,000 groups on the staff's special list of targets also included the Ford Foundation and the Urban League.

Other abuses reported by the Senate staff included the IRS's practice of providing the FBI and the CIA with virtually unrestricted access to tax information, including individual returns.

In some cases, the report said, the FBI used the information for purposes that were clearly illegal, such as in connection with its domestic counterintelligence programs designed to harass and disrupt radical and rightist political organizations.

The intelligence committee staff also criticized the IRS's information retrieval system as "a glut of largely useless information" about nearly 500,000 Americans.

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Associated Press

AFFIRMATION OR WARNING?—Sen. Hubert Humphrey wagged one finger at Democratic presidential hopeful Jimmy Carter at a Washington meeting Tuesday night as returns came in from primaries. Carter lost in Nebraska but won the Connecticut contest.

Despite 'Serious Reservations'

Ford Signs Measure Reviving Election Agency

By Warren Weaver Jr.

WASHINGTON, May 12 (UPI)—President Ford approved reluctantly yesterday legislation reviving the major powers of the Federal Election Commission and freeing the agency to authorize payment of a \$2-million backlog of primary subsidies to presidential candidates.

Mr. Ford said that he was signing the bill despite "serious reservations" about some of its provisions. He considered one of them so serious that he directed Attorney General Edward Levi to bring a court action challenging its constitutionality.

The President said he was sending to the Senate nominations of six commission members but

did not announce their names. It is expected that he will name five of the sitting commissioners plus a replacement for the chairman, Thomas Curtis, who asked not to be reappointed.

Former Senator

The new member to be appointed was identified by a Republican party source as former Sen. Marlow Cook of Kentucky, who is now practicing law here. The bill signed by the President also enables the commission to resume investigating complaints of violations of the campaign law and makes a number of important changes in election ground rules for political candidates and the committees that support them.

If Congress moves swiftly to

reconstitute the commission, confirming the six members named by the President without delay, the agency might be able to start the flow of matching funds to the presidential campaign by the end of the week.

Release of the primary subsidies, frozen for the last seven weeks, is not expected to have any material impact on the presidential primary competition in either party. Three-quarters of the money will go to the three men who are already the leading contenders.

Of the claims already audited by the commission staff, \$665,000 will go to the President Ford Committee. But its most recent problem has not involved raising money but keeping within the \$13-million spending ceiling imposed on presidential candidates for the pre-convention period.

\$350,000 for Reagan

Ronald Reagan, the President's Republican challenger, will get considerably less—\$350,000—immediately, but he reportedly has more large claims ready for submission. Among the Democrats, Jimmy Carter, the leader, will get the most money, \$314,000; his chief active rival, Rep. Morris Udall, has qualified for only \$114,000.

All told, a dozen presidential candidates have submitted claims for almost \$3.7 million in subsidies, but the commission staff has audited and approved only \$2.1 million of this amount. Ordinarily, the commission routinely approves staff recommendations for matching fund payments.

Mr. Ford said in a statement that he had concluded that approval of the bill was "in the best interest of the nation," that changes had been made to meet his most serious objections and that the resulting measure had "widespread bipartisan support in both houses of Congress and by the chairpersons of the two national political parties."

The provision that the President ordered the attorney general to challenge "at the earliest opportunity" permits either house of Congress to veto a regulation promulgated by the commission, which in theory is an independent executive agency.

The President's action brought to an end more than three months of uncertainty and confusion, following the Supreme Court's ruling of Jan. 31 that the Election Commission had been unconstitutionally formed in the first place, in violation of the separation of powers doctrine.

Appointment Process

In order to revive the agency, Congress had to make all its members appointive by the President instead of having four of the six named by congressional leaders. In the process, the lawmakers made a number of other important changes in the campaign law.

Two successive stays held up the effectiveness of the court order until March 22. Since that time, no subsidies have been authorized.

The President had been under considerable pressure from business, industry and conservative groups to veto the campaign bill. They all contended that it gave too much political power to labor, as well as hobbling the Election Commission. Despite his financial interest, Mr. Reagan had also urged a veto.

Another 'Will' By Hughes Is Made Public

Document Addressed To Parent Company

LAS VEGAS, May 12 (AP)—Spokesmen for Hughes Tool Co. said yesterday that they knew nothing about a second purported will of Howard Hughes that was sealed in an envelope bearing the firm's name.

The three-page handwritten document that surfaced yesterday was dated June 22, 1969, addressed to the Summa Corp. in care of the Clark County clerk and delivered by mail. The return address read "Hughes Tool Co., Houston."

Summa Corp., the umbrella firm that controls the Hughes empire, was named executor of the estate.

But Summa spokesman Arelo Sedwidge said in Los Angeles that the firm was not incorporated until December, 1972, and that the name was not even under consideration much before then.

Small Note

In Houston, Raymond Holliday, board chairman of Hughes Tool, said he knew nothing about the new document.

The envelope containing the document also held a small, handwritten note asking that the purported will "be made public 30 days after my demise." It was signed Howard R. Hughes.

A court clerk said he turned the unopened envelope over to Summa executive Jim Cullen. It was later filed at the courthouse by William Morse, a Nevada attorney for Summa, and Wayne Williams, a trust officer of the First National Bank of Nevada, Mr. Hughes's temporary estate administrator in Nevada.

Distribution of the estimated \$1.5 billion to \$2.5 billion estate was earmarked as follows in the new will:

"First: To all my blood relatives I leave one-twelfth of my estate.

"Second: To Hughes Medical Institute of Miami, Fla., I leave one-sixth of all my assets.

"Third: One-sixth of my estate to be divided among the University of Nevada and the University of California.

"Fourth: One-sixth of my estate to be divided among the Universities of Texas and the University of Mexico City, Mex.

"Fifth: One-twelfth of my estate to be divided among the blind and homeless children of America, and to the ones with medical needs.

"Sixth: One-sixth of all my assets to be divided among 10 living American individuals, bearers of the Social Security account numbers—008-22-3345, 339-55-6648, 669-33-9551, 999-11-2254, 119-33-4444, 449-66-7749, 779-99-0052, 229-44-5547 and 559-77-8856. (Although the document said 10 Americans, it listed only 9 numbers.)

"Seventh: One-sixth of all my estate, I leave to all my blood relatives to put to use as they wish. May this document bring contentment and peace of mind to all."

Police Establish Link Between Two Paris Shootings

PARIS, May 12 (AP)—Police ballistics experts established links today between the killing of Bolivia's ambassador to France and an attack here last year on a Spanish Embassy official, but reported no further headway in identifying avengers calling themselves the "Che Guevara International Brigade."

The brigade claimed responsibility for killing the ambassador, Gen. Joaquin Zeneno Anaya, and said that a comparison with the bullets used to severely wound Capt. Bartolome Garcia Plaza Valle, a Spanish military attaché, last October would clearly show it took direct action to keep France from becoming "a dictator's garbage pile."

Police said tests performed on the bullets determined that they came from the same production series and had closely related serial numbers. Further tests would be needed, they said, to indicate if the same gun was used in both attacks.

Police sources reported that searches of homes of French leftist extremists and Latin American residents of Paris produced only insignificant details and that conflicting descriptions made it difficult to draw up composite portraits of the two men the police believe were involved in the attack.

13 Soviet Embezzlers Jailed; Led 'Dolce Vita' on the Volga

MOSCOW, May 12 (UPI)—A handful of officials spent more than 365,000 rubles (nearly \$500,000) of state money to build palatial quarters by the Volga River, where they wined and dined on vodka and illegally caught sturgeon and had sex with "hostesses," the newspaper Literaturnaya Gazeta said today.

Thirteen persons were sentenced to terms ranging from 15 years imprisonment down to a year of corrective labor on charges that included embezzlement and rape.

Three buildings were erected at Cheboksary, 360 miles east of Moscow, on what the newspaper called "a cosy bay of the Volga River."

The money should have been used to provide services for student volunteers working on the construction of a tractor factory.

Instead, the newspaper said, officials at the construction site built a luxurious bathhouse of expensive timber and imported Karelian experts to decorate it with paintings, hand-worked candlesticks, a bar, marble flagging and thick carpets. They also built a rest home and a small hotel divided into comfortable, self-contained apartments with a view of the Volga, where they and their wives and guests relaxed on weekends "to the sounds of music and glasses filled with alcohol."

"No guest spent a single kopeck for food or drink," the newspaper said.

The case revealed a disgusting dolce vita for which some persons were ready to do anything," Literaturnaya Gazeta said.

U.S. Government Fails to Protect Its Computers, Investigators Say

WASHINGTON, May 12 (AP)—Many of the federal government's 9,000 computers are insufficiently protected against sabotage, vandalism, terrorism or natural disasters, congressional auditors said this week.

The General Accounting Office said it found lax security practices at a number of federal computer installations checked by its investigators.

Such practices make the installations susceptible to "losses caused by bombings, fires, floods, frauds, thefts, embezzlements and human errors," said the GAO, an investigatory wing of Congress.

Chairman Abraham Ribicoff, D-Conn., of the Senate Government Operations Committee, said he has directed a staff investigation into computer security problems cited in the GAO study.

Sen. Ribicoff said enormous havoc and personal inconvenience to Americans could result if, through the government's failure to adequately protect computer facilities, tax, Social Security or veterans' records were destroyed.

More than half of the installations visited by GAO were without plans for "continuity of operations if a loss occurred," the study said.

The GAO declined to identify the centers, saying it did not want to call the inadequate safeguards to the attention of would-be saboteurs.

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S. Sets Rules on Strip Mining in Western States

WASHINGTON, May 12 (UPI)—The Interior Department issued rules yesterday designed to strip mining of vast coal reserves in the West.

We need to double our coal production by 1985, said Interior Secretary James Kleppe, adding that the United States is "at the mercy of foreign oil and gas producers who could implement their embargo at any time."

Kleppe said the federal will be mined "in an environmentally sound manner," by limiting pollution and restoring it to its "approximate original condition" and vegetation.

The regulations were criticized by the coal industry yesterday as "too strict" and by environmentalists as "extremely weak."

John Melcher, D-Mont., led an unsuccessful fight in Congress for a federal strip mine law, saying the regulations will have "a devastating effect on the West."

Kleppe said he hopes to ease the production of federal coal—now 32 million tons annually—to 305 million tons a year by 1985.

Y. Counterfeit Raid

NEW YORK, May 12 (AP)—Federal Service agents have seized more than \$30 million in counterfeit \$100 bills and arrested six at a printing plant here.

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Japanese Navy Cites Soviet Observer Ship

TOKYO, May 12 (Reuters)—A Japanese anti-submarine exercise was called off yesterday because of the presence in the area of a Soviet information-gathering vessel, Japanese officials said today.

The Soviet ship approached within two nautical miles of two Japanese destroyers and a submarine taking part in the exercise off the coast south of Tokyo, officials said, when the exercise was ended.

Church, in His First Primary, Halts Carter's Victory String

(Continued from Page 1)

Although Sen. Jackson has announced he is not an active candidate, he campaigned in Connecticut for three days because of commitments he had made to the state's Democratic power structure, including Gov. Ella Grasso, who was running as a Jackson delegate.

In the third primary held yesterday, Sen. Robert Byrd won easily in his home state of West Virginia.

Mr. Carter was not on the ballot there, and Sen. Byrd's only opposition was Alabama Gov. George Wallace. Gov. Wallace's campaign encountered financial difficulties late last month, and his two campaign headquarters in West Virginia were closed then.

The 23 West Virginia delegates to the Democratic convention were elected as uncommitted, but they will be controlled by Sen. Byrd, who said last night that "morally, I think one might think they are committed to vote for me."

Running third in Nebraska was Sen. Hubert Humphrey of Minnesota, who had tried and failed to remove his name from the ballot.

None of the other candidates, who included Sen. Edward Kennedy of Massachusetts, won more than 5 per cent of the votes.

Sen. Church spent so much time campaigning in the state over the last 30 days that the Omaha World-Herald noted yesterday that he was nearly eligible to vote himself.

Sen. Church said that he thought "it would be kind of a political miracle to win the first time out against a front-runner."

He said he would be able to start winning the support of uncommitted delegates "if I can demonstrate that, unlike the other candidates that have been driven from the race, that I can win against Jimmy Carter."

Reagan Wins In Nebraska

(Continued from Page 1)

source of serious concern to the Ford campaign.

Mr. Morton said, "I think in the end President Ford will prevail [in Michigan]. I hope decisively. If not, there will be a floor fight in Kansas City. We'll win a first-ballot victory if we win in California and Tim optimistic about California."

Sen. Robert Griffin of Michigan, another Ford supporter, said that a loss in Michigan "could kill us."

Mr. Reagan went into yesterday's primaries with the momentum of four straight victories over the President—in the May 1 Texas primary and the May 4 Alabama, Georgia and Indiana primaries. Those victories swept Mr. Reagan past Mr. Ford in the number of committed delegates to the GOP national convention in Kansas City in August.

Ford Gets GOP Support

WASHINGTON, May 12 (UPI)—A dozen Republican congressional leaders, seeking to counter Mr. Reagan's recent gains in the Republican presidential primaries, pledged their support yesterday to President Ford for the party's nomination.

In a statement expressing "deep appreciation for his wise leadership," the leaders praised Mr. Ford for working "effectively for a strong national defense and a viable and sustainable economy." They added that Mr. Ford had "courageously vetoed legislation thrust upon him by an irresponsible controlling majority of Congress."

"It would be disingenuous to deny that there is concern," said Rep. John Anderson of Illinois, chairman of the House Republican Conference, when asked whether the group would have issued such a statement if Mr. Ford had not suffered his setbacks in the primary elections.

The only prominent Republican congressional leader who did not sign the statement was Rep. John Rhodes of Arizona, who succeeded Mr. Ford as the House minority leader. Rep. Anderson said that since Rep. Rhodes is likely to be the permanent chairman of the Republican National Convention, he felt that he should refrain from declared support of any candidate.

Colombo Rat Increase Ends Anti-Boar Drive

COLOMBO, May 12 (AP)—Officials in Sri Lanka have stopped a year-old campaign to kill wild boars that resulted in an even greater problem—rats.

The government-owned Sri Lanka Sugar Corp. said it discovered belatedly that wild boars, which were killed because they ate the sugar cane crop, also helped hold down the rat population. Officials say there has been a marked increase in rats. It is estimated the rats will ruin about 10 per cent of this year's crop.

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One theme throughout the reports of the Senate Select Committee on Intelligence Activities and other studies of improper domestic intelligence-gathering is the extent to which such operations have been fostered by inadequate laws, imprecise definitions of various agencies' roles, and the absence of effective checks on unlawful activities. The Senate Judiciary Committee has an opportunity to attack some of these problems now by approving a pending bill that would prohibit almost all military spying on civilians.

The fact that Army units had been amassing dossiers on thousands of civilians was first disclosed in 1970, long before the full scale of federal domestic intelligence efforts became known. Like several other sprawling surveillance programs, the Army operations had begun in the mid-1960s as an attempt to get better information for use in combating civil disturbances and anti-war protests. As a long investigation by Sen. Sam Ervin's Constitutional Rights subcommittee showed, the military spying quickly followed the customary course of ill-defined, unchecked bureaucratic activity. Bits and pieces of information were gathered indiscriminately about the politics, associations and private lives of at least 100,000 civilians and thousands of groups, most of whom were engaged entirely in peaceful, law-abiding conduct. All this material was filed away without regard for its accuracy, its relevance to any proper military mission, or the privacy of those on whom the dossiers were kept.

In response to public protests and the Ervin panel's inquiry, the Defense Department in 1971 canceled those broad surveillance programs and issued a directive barring future military spying on civilians in most instances. Since then, the Defense Department has maintained that its own controls are adequate and congressional

It is axiomatic, but easily forgotten, that a suspension of the liberties of even the most reviled group in a society will dilute the liberties of all since each discretionary suspension of rights leads more easily to the next one. This truth is brought to mind by the release of a study, by the staff of the Senate Select Committee on Intelligence, of the FBI's Counterintelligence Programs against the Black Panther party and other "black nationalistic-hate groups."

While revelations about Cointelpro activities against Dr. Martin Luther King Jr. have elicited widespread concern and comment, little has been made of the program against the Panther, and other black groups, even though the evidence indicates that those programs may well have been responsible for the death of a number of individuals charged with no crime. That is a large accusation, but three events drawn from committee records suffice to sustain it.

* At UCLA in 1969, the Black Panthers and US (United Slaves), another black group, were engaged in a violent conflict that had already caused two deaths. The FBI exacerbated the struggle by sending the Panthers inflammatory material, ostensibly from US. After further deaths, the bureau's San Diego office made the following appraisal of its efforts: "shootings, beatings, and a high degree of unrest continues to prevail in the ghetto area of southeast San Diego. Although no specific counterintelligence action can be credited with contributing to this overall situation, it is felt that a substantial amount of the unrest is directly attributable to the program."

• The FBI sent an anonymous letter to a Chicago gang leader whose organization it characterized as one to which "violent type activity, shooting and the like are second nature." The letter advised the gang leader

action is not necessary or appropriate. However, the directive, as revised last year, permits surveillance where a military commander decides, for instance, that a civilian's activities "threaten" military "loyalty, discipline or morale" by encouraging disruption or disobedience. Such vague language is far too permissive, especially in times of stress. Indeed, a Defense Department review panel has used such rationales to justify spying on anti-war and dissident groups in several cases since 1971. Moreover, in the absence of a law, the Defense Department's policies could be further relaxed at any time.

The bill before the Senate Judiciary Committee would impose proper statutory controls. The measure would generally prohibit military surveillance of civilians who are not connected with the armed forces or defense contractors. The only exceptions would be in connection with normal employment and security checks, law-enforcement activities assigned to the armed forces, and cases of civil disturbance where military units have actually been deployed. These curbs would be enforced by criminal penalties for willful violations, and by authorizing citizens who have been targets of unlawful surveillance to bring civil suits.

This measure recognizes that official spying on those who have broken no law can have a serious inhibiting effect, making citizens apprehensive and discouraging them from exercising their rights and liberties. Moreover, the bill affirms that such surveillance by the military is especially repugnant in a free society. Because the Army's excesses were among the first to be disclosed, and because statutory controls are relatively easy to devise, it is appropriate that the effort to legislate curbs on domestic intelligence-gathering begin with prompt approval of this bill.

THE WASHINGTON POST.

By Victor Zorza

WASHINGTON—The Kremlin is now engaged in a secret debate of defense spending which in some ways parallels the public economic debate in the United States.

The appointment of Soviet party secretary Leonid Brezhnev as minister of the Soviet Union's highest military rank he could bestow upon himself, is part of a new design to keep the Soviet military in their place. It follows on the heels of the appointment of a civilian as minister of defense, an innovation that has been resented by the military, who have long regarded the post as theirs by right. They have now expressed this resentment through their spokesman, Gen. Viktor Kulikov, the chief of the general staff, who had been bypassed when the post of minister was last given to the defense industry boss Dmitri Ustinov.

The debating code used by both sides to conduct the struggle is reminiscent of the tactics used in the secret debate which ended with the overthrow of Khrushchev in 1964. At that time, too, one of the main issues was civilian control of the military who, with the support of the more hard-line political leaders, were pushing for greater defense expenditures than Khrushchev was willing to concede.

Abstract Codeword

The military and their hard-line allies issued repeated warnings in public against the "underestimation" of imperialist strength and of the threat of war which this carried. They did not accuse anybody specifically of "underestimating" the imperialists, but, as we now know, the secretary of the Central Committee, Nikita Khrushchev, did not see the public reflection of their private complaints against Khrushchev.

It is against this background that the seemingly harmless remarks now made by Gen. Kulikov should be read. World War II, he says, provides "a very stern warning to us" against "underestimating the danger of war engendered by imperialism."

Kulikov's warning occurs in an article published on the anniversary of the World War II

victory in Europe. Twice every year he and other Soviet military leaders write such articles for the main Soviet newspapers on Victory Day, and on Army Day. They differ little in content from year to year, and any variation therefore provides grist for the Kremlinologist's mill.

This is the first time the "underestimation" codeword has appeared in one of these articles since at least 1973, and it thus constitutes a clear warning that the military believe Brezhnev's defense policy to be misguided. They can hardly object to a policy which has led, in recent

argues that existing Soviet defenses provide "unshakable guarantees" against aggression, which looks like a direct reply to Kullkov's call for the development of "new" weapons. The Soviet military also maintains that their needs are greater because of the possibility of a war on two fronts, against both the United States and China, for instance. Andropov rejects that argument, too. The "unshakable guarantees" are such, he explains, that neither a single aggressor, "nor a coalition of aggressors," could gain the whip hand over the Soviet Union.

His speech, delivered on the anniversary of Lenin's death last month, thus anticipated some of the arguments Khrushchev was to bring out into the open last week. Another argument now in progress concerns SALT. The issue before the Kremlin is whether it should conclude a quick SALT agreement with Kissinger and Ford on the terms they have proposed, wait until they still in the waste water of the presidential elections for a deal that may turn out to be better—or worse, depending on who wins. The hawks in both countries would prefer to wait, but Andropov believes, as Kissinger does, that a bird in hand is better than two in the bush. Any delay in the unfolding of détente, Andropov argues, and particularly any Kissingerian, even temporary, "could cost the Soviet Union" the "enormous waste of material resources"—that is to a more intense arms race.

The signals from the Kremlin are confusing, because the struggle itself is confused. Andropov's speech was far more forthcoming than Brezhnev's own recent speech to the party congress. But Brezhnev's speech was officially described as being delivered on behalf of the whole leadership—which means that both the hard-liners and the moderates were able to strike out portions they did not like. Andropov, however, could write his own speech, and he was therefore able to pick up and use a number of the lines that Brezhnev had developed in the past, not only on the sufficiency of Soviet arms but also on the need for "compromise, in dealing with the West."

There are no parallels in Washington for the appointment of Brezhnev as marshal of the Soviet Union, but the Kremlin's own parallels for this are most instructive. When Khrushchev was engaged in struggle with the military, the Kremlin bawled he arranged for some of his friends among the military to laud him publicly as "our commander in chief." The move was part of the larger struggle to make the military subordinate to Khrushchev's pre-eminence in determining the shape of Soviet defenses and the size of the defense budget. The new pictures of Brezhnev in his marshal's uniform carry a similar message: the Soviet war machine, some of the most powerful in the world, is now under Brezhnev's command.

By William F. Buckley Jr.

NEW YORK—James Reston, in one of his routine exercises in indiscretion, has announced (IBT, May 6), that Henry Kissinger, having been dispatched from time to time to brief Gov. Ronald Reagan of California during the Nixon days, "testified later that seldom in his long experience as a teacher had he come across a more gullible pupil. . ." Concerning that statement, a few observations:

1. Did Kissinger say that to Reston? Certainly Kissinger has never "testified" on the question of Reagan's gullibility, else us plain-folks would have heard about it. What Reston surely means is that Kissinger said as much to Reston personally. Presumably he said it in confidence, but Reston permits himself to transcend these considerations, as when not long ago he wrote that publicly the President and the

Secretary or state appellate bodies. Patrick Moyynian, while privately disliking deplore his East Moyynian, would not consider whether other friends of the secretary of state should be free to reveal positions. Mr. Kissinger has "testified" to? Mr. Reston, whose cosmopolitanism contrasts so sharply with Reagan's gullibility, is a man who, having kept his appendix taken out successfully in China, came back with pride for that totalitarian state which would have embraced Edmund Edgar Snow. Mr. Reston's comment held on public reality is not measured by his continuing "The Great Wall of China." The gentleman in question is Henry Carter, who will probably be the next president of the United States.

2. Though it is true that Mr. Kissinger, like so many intellectuals, is a man of considerable personal impatience with those

White House Monitors

I read with great interest an article of John Paton Davies under the title "On Saving the White House from Itself" (HT, April 31) in which he launches the idea for creating the "board of monitors" for surveillance of the Executive branch.

I would like to call the attention of the author—and the readers—to the fact that the idea of creating a "Supreme Council" supervising the activities of the legislative, judiciary and executive bodies from the point of view of morality and reason—metaphorically speaking—of the nation—was already presented in the middle of the

lath century by a Polish philosopher, Joseph Maria Hoene Wronski, in his book, written in French, called "Metapolitique." Wronski wrote his book in Paris, probably around 1840, but it remained in manuscript form and was published for the first time in the Polish translation in Warsaw in 1923 thanks to the endeavors of his follower and admirer Jerzy Braun.

The idea of Mr. Davies strikingly resembles that of Mr. Wronski; however, his works probably are unknown to the author of the article.

KONRAD SIENIEWICZ.
Rome.

By James Reston

WASHINGTON.—The religious issue in the presidential campaign is relevant and even important up to a point, but it is in danger of getting out of hand and could, if we're not careful, divide the United States on theological rather than political grounds.

Ever since Gov. Carter, in response to questions in press conferences, described his religious faith, reporters and others in political rallies have been asking all candidates about their most private religious convictions; and are expecting them to bear witness on television to the sort of questions priests put to parishioners in the privacy of the confessional.

These questions are coming from three sources: from skeptics who cannot quite believe a presidential candidate can be a true believer; from religious fanatics who don't think a candidate who is not a true believer should be a presidential candidate himself; and from true believers, and from reporters who are honestly curious about the effect of a candidate's religion on his policies.

A Fair Question

For example, on the Public Broadcasting Service the other night, my old friend Bill Moyers—himself a former divinity student and one of the most thoughtful men in our public life today—asked Mr. Carter: "What drives you?"—a perfectly fair question. Then, another question: "How do you know God's will?" Without assuming, unfairly, that he claimed he did, that estimate did Carter into the most intimate disclosures of his private philosophy, even into the appeals of his prayers, and with the utmost respect for Moyers, one has to ask if this does not cross the line from legitimate political inquiry to the most secret places of the heart.

Moral Terms

Carter would understand agree with this ethical ideal, sees the human condition in religious as well as in moral terms. He told Moyers: "I ask God let me do what's right, and let me do what's best, that life be meaningful . . . and I win or lose. I believe I can accept the world with all its pain and suffering without regret and without animosities . . . and even deep disappointments."

This talk of faith, prayer and reconciliation to whatever happens was common in the days of Lincoln, whose bronze image in the Washington Cathedral the pope kneeling, but in this secular age, it is becoming a political controversy and is dividing believers from the nonbelievers.

"Do you ever have any doubts," Bill Moyers asked Carter, "about yourself, about God, about life? Carter replied boldly and with a slight smile: "I've thought about it. I've thought about it."

"Do you have *obvious* doubts about the best, my answer a question or to alleviate a concern . . . but doubt about faith? No. Doubt about my purpose in life? I don't have doubts about that."

Seventy-Five Years Ago

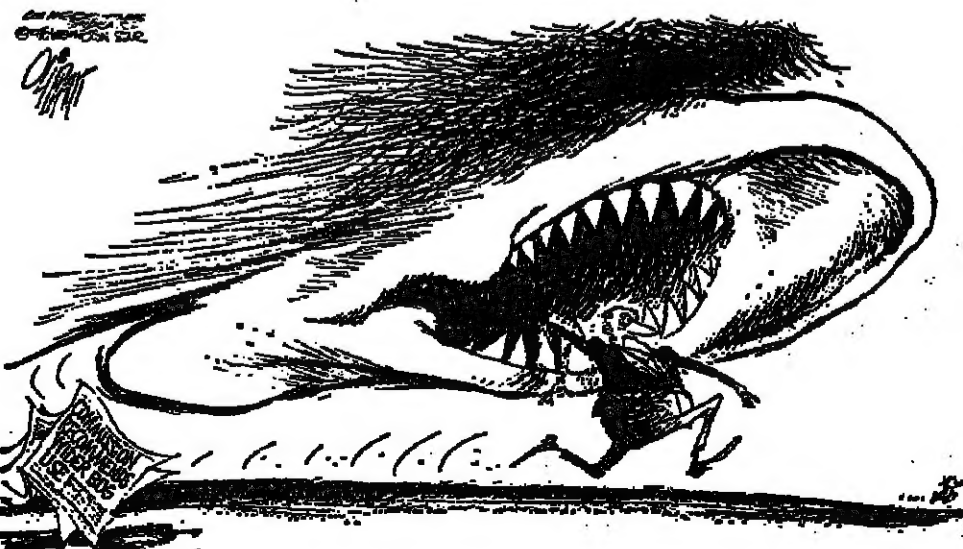
May 13, 1961

ROME.—The grave diggers of Naples have gone out on strike, and are trying to stop all funerals. Several corpses have been left in the houses where they died, awaiting burial, and many funeral processions have had to be accompanied by the police, who were attacked by the grave diggers. Other unpleasant incidents have also occurred.

Fifty Years Ago

May 13, 1926

ROME.—Mussolini's vibrant character today thrilled to the screen's most vigorous personality, and the Italian Duke in turn discovered "Our Mary" to be "even prettier than she is on the screen." Douglas Fairbanks and Mary Pickford described their meeting with Benito Mussolini, and both said that it was the highlight of their European trip.



مستأمنه المصلح



Rudolf Kempe rehearsing the BBC Symphony Orchestra.

Obituaries

Architect Alvar Aalto, 78, Designed Finlandia House

SINKI, May 12 (UPI).—Alvar Aalto, 78, Finland's pre-eminent architect, died in Helsinki at last night, a nephew, Alano, said today.

Aalto died in Helsinki, where he had been ailing for a month because of kidney problems, Mr. Alano said. Death was caused by a kidney complication, he said.

Aalto's architecture was worldwide, although the bulk of his work was in Finland. His most famous work was the Finlandia House in Helsinki, which was the site of the European Security summit meeting in 1975.

Aalto was responsible for planning and construction of the end of the common war between Finland and Soviet Union in 1944.

Capital Rebuilt
rebuild Rovaniemi, capital of Lapland, which was destroyed by the Germans during World War II. Aalto's most famous interior works include the Baker Dormitory for the Massachusetts Institute of Technology in Cambridge, Mass., and the Institute of Technology Library at Mount Angel College in Oregon; and the Institute of International Education in New York.

His hospitalization, Mr. Alano said, was due to a kidney ailment. Aalto had worked on projects from a church in Italy to the Midwest Institute of Scandinavian Culture in Eau Claire, Wis.

His first work of international fame was the Turku Synagogue in Finland, designed in 1930. He went on to design the Finnish pavilion at the 1937 Paris Exposition and the New York World's Fair, designed for a year at the Massachusetts Institute of Technology.

1957 essay, "The Architect's Task," Mr. Aalto wrote: "All great designs make a statement of values and even more, I think, that more moral aspects than into account, industry, its vast range of potential, can avoid comic exaggeration and help man in many ways to live more harmoniously. In these ways town planning, the apartment interior fittings can be improved. We shall have the feeling that we too are able to contribute to the soul of our mankind."

Rudolf Kempe
ICH, May 12 (AP).—Rudolf Kempe, 65, a noted German-born

Zola Is Urged U.S. to Delay Entry Bid

UNITED NATIONS, N.Y., May 12 (AP).—The Ford administration's Angola yesterday to apply for UN membership and indicated that it vetoed any such application. Angola gave a "clear signal" that the thousands of Cuban troops would depart soon, administration source U.S. Ambassador William P. Sullivan told the leader of the delegation, Eladio Figueroa, that the issue had become tied in the U.S. presidential election campaign.

Figueroa reportedly told U.S. and Western diplomats he had agreed to return to Cuba to put the U.S. request to the government, thereby postponing council action on application until his return. Ford has been criticized by his opponent for the Cuban presidential nomination, Ronald Reagan, for his policy and, particularly, his policy toward Angola, where a civil war has been raging since 1963.

Angolan application for membership, which had been delayed to go to the Security Council today, presents a dilemma for the administration. Western states at the UN said a U.S. veto would "confirm the Africans' fears" and destroy the "unity of Secretary of State Kissinger's new policy toward Africa."

DEATH NOTICE

SMITH, RUFUS BURN. Only son of Rufus and Mildred Smith, died April 30, 1976, at his home, 1000 S. 1st St., St. Paul, Minn. Burial at St. Paul, Minn. Memorial service at St. Paul, Minn. on May 14, 1976, at 2:00 p.m. at St. Paul, Minn. Ruffus was a member of St. Paul, Minn. College.

Ethiopian Regime Reported Ready for Eritrea Offensive

By David Binder

WASHINGTON, May 12 (NYT).—The Ethiopian military government is preparing to open a major offensive against Eritrean rebels in the next few days, using half the army and tens of thousands of armed peasant volunteers, officials said yesterday.

According to intelligence reports reaching Washington, the Ethiopian leaders plan to deploy human wave formations of Christian farmers—armed with 45-year-old Italian rifles and machine guns—against the predominantly Muslim rebels.

The U.S. officials said that they had received reports that the peasant volunteers had begun assembling in Asmara, the Eritrean capital, and other towns in the northern Eritrean province.

The Ethiopian leadership has commandeered scores of civilian trucks and several Ethiopian Airlines planes in the last week, according to the reports, to transport the volunteers from four northern provinces to the Eritrean staging areas.

Two factions of rebels—the Eritrean Liberation Front and the Popular Liberation Forces of Eritrea—have been struggling against the Addis Ababa government sporadically for more than 10 years. The rebels have seized control of most of the Eritrean countryside and tied up two divisions of Ethiopian troops over the last year of fighting, according to administration estimates.

Reprisals by government soldiers against the civilian Eritrean population have created growing

support for both rebel movements, the reports indicate. In recent months Eritrean Christians have been reported to be as numerous as Muslims among rebel recruits. Eritrea is about evenly divided between Muslims and Christians. The U.S. officials said that the performance of the 1st and 2d Ethiopian Divisions had been so dispirited in the Eritrean campaign in recent months that Addis Ababa had decided to try peasant volunteers.

"It is a desperate gamble," an American official said.

He said the peasants had been promised "land grants" in Eritrea as an incentive to fight the rebels. They have been armed with obsolete weapons left over from Italy's 1935 war against Ethiopia, he said. In March, Addis Ababa reportedly spent millions of dollars in Turkey and Italy on small-caliber ammunition for the old guns.

The official said he believed the offer of land was probably an effective incentive for only some of the northern Ethiopian peasants, who are accustomed for the most part to communal farming. He said that the government probably had more success in appealing for a kind of Christian holy war against the Eritreans. In preparation for the planned offensive, virtually all foreigners have been evacuated from Eritrea and the neighboring Tigre Province. The last U.S. missionaries, who ran a hospital in the town of Ghinda, pulled out in mid-April, the official said.

The government, meanwhile, has reportedly sent hundreds of Ethiopian physicians and nurses to Asmara and other Eritrean cities to handle an expected influx of wounded.

The planned offensive has already been well-advertised in the Ethiopian press, the official remarked, and Eritrean rebel leaders have denounced it as "genocide."

He said that 100,000 of the 7 million Eritreans had already sought refuge in neighboring Sudan.

Newsmen Censored

ADDIS ABABA, May 12 (Reuters).—Journalists who visit Ethiopia must submit their reports for official approval before they can be transmitted abroad, the general manager of the official Ethiopian news agency, Beale Girma, said yesterday.

Mr. Beale had earlier told two British journalists they had to submit their stories to him before they could send them through the government telecommunications system to London.

The new rule follows a ban imposed last March on part-time correspondents sending news from here to foreign news organizations. Mr. Beale said it "applies to all visiting journalists" but not to the few resident correspondents.

Turkish Premier Backs Arab Cause At Islamic Talks

ISTANBUL, May 12 (AP).—Turkish Premier Süleyman Demirel opened the 41-nation Islamic Conference today, endorsing the struggle of the Palestinian Arabs and linking it to the "oppression and distress of the Turkish Moslem Cypriot community."

"We are fully aware that neither peace nor justice can be attained by ignoring the oppression and distress which the Palestinian Arab people and the Turkish-Cypriot Moslem community have been subjected to through the years," Mr. Demirel said in his opening speech, greeted by applause by more than 400 delegates.

He declared that Turkey was opposed to "racial discrimination in Africa, invasion and annexation of Arab territories in the Middle East through the use of force, and changing the status of holy Jerusalem through unilateral acts."



Ounce of prevention—Maintenance man on cherry-picker crane spraying herbicide on Colosseum in Rome to keep weeds from growing between stones.

Vietnam Lets Out a 2d American; 37 Are Reported Still in Country

BANGKOK, May 12 (UPI).—An American who had been in Vietnam for 10 years arrived in Bangkok from Saigon today, becoming the second U.S. citizen allowed to leave South Vietnam in a week.

Clifford Randolph, 64, arrived here aboard an Air France charter flight with his Vietnamese wife and 8-year-old daughter.

Mr. Randolph had been an employee of the American Trade Development Co., a contractor for the U.S. Agency for International Development, until the Communist take-over in Saigon on April 30, 1975.

He was issued an exit visa to leave Saigon last year but refused to go without his family.

Leonard Judson, 68, a U.S. citizen who is blind, was permitted by the Saigon government

to leave last week. Mr. Randolph's departure left at least 37 Americans still in South Vietnam.

South Vietnam Plans to Revive A Sea Resort

BANGKOK, May 12 (UPI).—South Vietnamese authorities expect tourists to flock to a revived seaside resort that was once the U.S. Special Forces headquarters for Southeast Asia, according to Radio Hanoi.

A broadcast said Nha Trang "is waiting for tourists from all parts of the country and abroad." It said Nha Trang "will be provided with hundreds of flower beds and thousands of granite benches placed in eight big parks."

Plans also call for planting 8,000 coconut trees, a network of neon lights and loudspeakers and rowboats and motor launches for hire.

Karakum Coin Cache

MOSCOW, May 12 (UPI).—A clay jar that washed ashore on a stormy night at the Karakum reservoir in Tadzhikistan contained Indian rupees, rubles bearing the profile of Czar Peter the Great and coins from the Kokand Khanate, Tass said today.

Water-Radiation Standards Disputed by 2 U.S. Agencies

By Thomas O'Toole

WASHINGTON, May 12 (WP).—The government agencies that develop atomic energy and regulate the environment are battling over the radiation standards the United States ought to have for its drinking water.

The Energy Research and Development Administration wants to keep radiation standards on air and water where they are, while the Environmental Protection Agency is pushing for stricter standards, despite lack of evidence of radiation-in-water problems in the United States.

The dispute has been simmering for six months, but recently escalated into open warfare. So wide has the split on drinking water standards become that the White House has been called in to act as umpire.

Radiation in Water
The ERDA has suggested there be no change in the radiation standards, which today allow people to be exposed to a maximum of 500 millirem a year over the normal amount of background radiation they receive. The EPA wants a much lower exposure, starting with the water Americans drink. It wants standards allowing no more than 4 millirem a year in the water.

Human exposure to radiation is measured in units called rem, for roentgen equivalent - man. Most doses are measured in terms of a millirem.

People receive radiation from the potassium in the body, the radioactive elements in the earth's crust and the cosmic and ultraviolet rays that bombard the earth from space and the sun.

The average annual dose in the United States from all these sources is 130 millirem.

The major exposures from man-made radiation are incurred medically, mostly from diagnostic X-rays and fluoroscopes that use continuous X-rays to photograph internal body movements. The average per-capita dose from medical sources is about 70 millirem a year.

Great Lakes Supply
The EPA says it can do little about X-rays and nothing about background radiation but that it can tighten the standards on drinking water. The EPA claims that its 4-millirem-level recom-

mendation is more radiation than any American gets drinking from a community water supply. It says that one of the highest is the Great Lakes, at about 1 millirem a year.

The EPA concedes that its exposure is exceeded in the well water found in rural regions of Texas, Colorado and Illinois, but claims that the trace elements causing the excess radiation can be eliminated with water softeners. The EPA says these will cost no more than \$8 million nationwide.

In response, the ERDA says it is concerned about the difficulty of changing a regulation once it's put into place. It cites the possibility that fusion power plants operating in the 21st century would release enough of a short-lived radioactive isotope called tritium to the nation's water supplies that they would exceed the new standard.

"The radiation would still not be enough to trigger any cancers," an ERDA spokesman said, "but would be enough to shut down the fusion plants under the EPA regulation."

11 More Rebels Reported Killed By Rhodesians

SALISBURY, Rhodesia, May 12 (AP).—Rhodesian forces have killed 11 more black nationalist guerrillas along the border with Mozambique, security force headquarters announced today.

A communiqué also reported that the guerrillas have killed 12 more black civilians in the war zone and said that six African curfew breakers in the border area were killed by Rhodesian forces.

It said that in the last five days two African employees of the Ministry of Internal Affairs have died as a result of injuries in a land-mine blast.

The 10 other African civilians died as a result of land-mine incidents involving civilian vehicles, the statement said.

The deaths bring to 822 the number of guerrillas killed since December, 1972, authorities said. The Rhodesian forces have lost 99 men in this period.

2 Get Death Penalty

SWAKOPMUND, South-West Africa, May 12 (AP).—Two men belonging to the South-West Africa People's Organization were sentenced to death by the Supreme Court today after being found guilty of charges arising from the assassination of the black chief minister of a local tribal area.

Heat Kills 12 in India

NEW DELHI, May 12 (Reuters).—At least 12 persons have died in a heat wave which has sent the temperature to more than 45 degrees centigrade (113 Fahrenheit) in several areas of India. All the fatalities occurred in the northeastern state of Bihar.

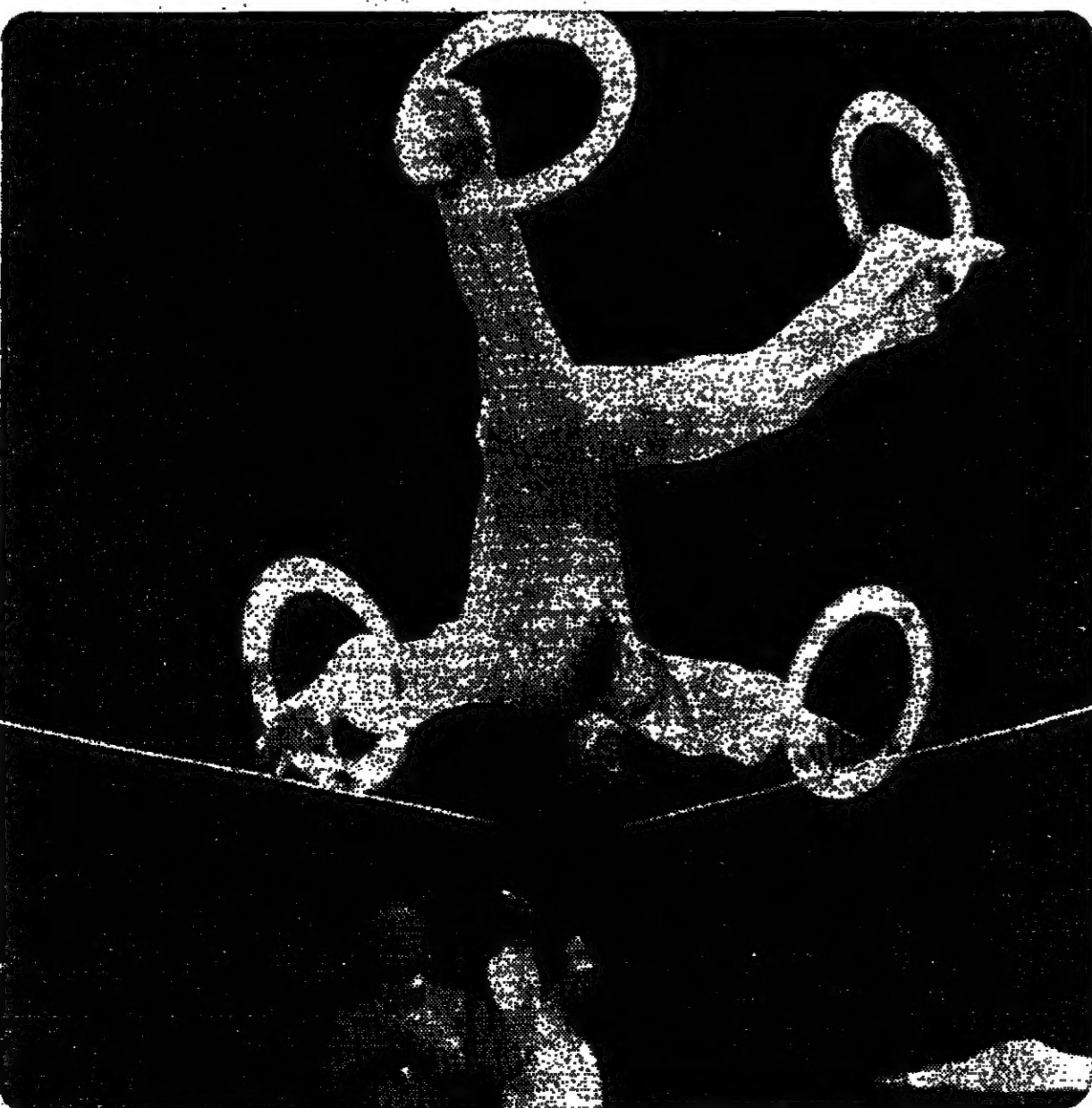
A computer helps the wheels go round

In case you've thought of office computers as delicate beasts needing special handling in vibration-free, temperature-controlled surroundings, have a look at this one (see right). It's one of the standard Philips office computers installed in a travelling caravan of Circus Sarasani. Not only does it bear up like a trouper on a 60-city a year tour of Germany in all kinds of weather, but it helps

keep the show on the road. Besides 25 wild animals, 14 horses and a hippo, Circus Sarasani employs about 140 people. Before installing the office computer, administration of the payroll took at least ten days' manual work every month. Now, the whole job is completed in two hours. Although the working environment is a bit unusual (temperatures are often extreme, and the

computer is on the caravan's bare floor with no rubber mountings), the end results are not. That's why thousands of Philips machines have been put into offices, banks, hotels and stores all over the world... helping keep everyone's wheels going round! Simplifying and speeding the storage and transmission of information is a Philips speciality. Office computers, data entry

terminals, bank terminals and mini-computers constitute part of our activity in this area... but by no means all of it. Shown below are some of the others.



1 Office computers that fit. Philips office computer systems, like this one installed in one of the rolling units of Circus Sarasani, are designed to do their job without causing an uproar. Plug them into any standard power source and they're operational. They're easy to program... so they adapt to your existing proved procedures rather than the other way round. They're so easy to operate the boss can do it. They eliminate invoicing and bookkeeping drudgery, and carry out complex calculations in seconds, freeing the staff for other duties.

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FINANCIAL NEWS AND NOTES

**ICI Plans Rights Issue
and Reports Profit Rise**

LONDON, May 12 (Reuters).—ICI Chemical Industries Ltd. reported a 10 per cent rise in profits for the first quarter of 1976, and announced a rights issue of 10 per cent of its ordinary shares.

The rights issue involves the issue of 10,000,000 new ordinary shares, ICI said. Dealings in the new shares are expected to begin on Monday.

Capital programs and additional sums to finance working capital requirements have involved the investment of around £900 million in the past two years and a further £700 million will be required in the current year.

ICI said the growth in volume of business was the key to the group's profits improvement in the first quarter. "This has been particularly noticeable in exports, showing that ICI's prospects for the rest of the year is an export-led sales improvement," the company said.

Stock market sources said the group's rights issue was broadly welcomed by institutional shareholders, because of favorable yield considerations after the 25-per-cent dividend increase, though there may be some selling from small investors unable to raise the funds required.

The price of ICI shares on the London Stock Exchange fell 3 pence to 333 pence at the close following announcement of the rights issue.

Raising Dividend
ICI has given ICI permission to raise its dividend by 25 per cent to 10 pence a share, a discount about 70 pence on the stock market price.

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**Burmah May
Block Sale
Of BP Shares****Cites Low Price Paid
By Bank of England**

LONDON, May 12 (Reuters).—Burmah Oil Co. chairman Alastair Down said yesterday he might contemplate seeking an injunction restraining the Bank of England from selling the 7.8 million shares of British Petroleum Co. acquired from Burmah last year.

Mr. Down said at a press conference he could give no details of the course of action recommended by the company's legal advisers in relation to the BP stock, but said moves were under way.

An injunction against the bank had not yet been sought, but this might be contemplated if the bank decided to sell, he said. The stock, equal to 21 per cent, was acquired last January for £179 million, compared with today's market value of around £220 million.

The sale was made after Burmah ran into severe financial difficulties caused largely by the worldwide slump in oil tanker operations.

In his annual report to shareholders, Mr. Down said there is an overwhelming feeling that Burmah's problems would not have been nearly so severe, had more equitable terms been achieved in respect of the BP stock.

Burmah still retains around 3 million ordinary shares and 98,000 8 per cent preference shares. Shareholders will be asked to give the Burmah board authority to sell this holding at its discretion, he said.

Sell-off in U.S.
Burmah is talking to several interested parties about the possibility of entering detailed negotiations on the sale of its North American assets, Mr. Down said.

But he said the U.S. government's moves to further regulate the U.S. oil industry had affected the intended sale price. "We have had to lower our sights," he said.

However, he hoped to conclude a deal for the sale of the assets as a whole to at least cover the company's \$500 million of outstanding borrowings before the Bank of England's borrowings guarantee runs out in September.

Mr. Down said he could not count on a further extension of the bank's guarantee after September, and if no sale were made before it ran out, refinancing would have to be sought.

Raw Materials Recycling Plan Started in France
PARIS, May 12 (AP-DJ).—France expects to save 5 billion francs (about \$1.1 billion) on raw material imports by 1980, the Ministry for Industry and Research said today.

Projects which have already been started to recycle and process waste will ultimately save around 2.5 billion francs in the imports of copper, plastics and paper and wood, the ministry said.

Gas Found in Indonesia

The Phillips group and Pertamina, the Indonesian state oil company, report a new gas condensate well has been found in the southern part of Sulawesi Island, Indonesia. Gas flowed at about 26 million to 30 million cubic feet a day. The Phillips group consists of Phillips Petroleum, with a holding of 50 per cent, Conoco, with 25 per cent, and AGIP of Italy, 25 per cent. A production sharing contract with Pertamina provides for recovery of operating costs from up to 40 per cent of production and the sharing of the remainder of production between Pertamina and the group on a 65 to 35-per-cent basis, respectively.

Peugeot to Absorb Citroën

Peugeot will absorb Citroën subject to shareholder approval, but the two French carmakers will be run independently and continue manufacturing their own models, Peugeot president François Gaudier says. The new group's combined sales should amount to at least 32.5 billion francs (about \$7.2 billion) this year. The fused company will employ about 175,000 persons at home and abroad. The fusion will be carried out by an exchange of shares—one Peugeot share for five shares of Citroën. Peugeot in April acquired 90 per cent of Citroën's shares from its former parent, the Michelin tire firm, at the same terms. The total transaction will result in the creation of 1.83 million new Peugeot shares, which at current prices are worth \$40 million francs (about \$116 million). Citroën, strong on advanced engineering but weak at marketing, has been in financial trouble for years.

Big Jump in Prices Expected**U.S. Economists See Renewed Inflation**

WASHINGTON, May 12 (AP-DJ).—Although government economists do not expect the United States to return to double-digit inflation any time soon, there is growing concern that the economic recovery may be accelerating too fast and that consumer prices could be rising at an annual rate of 7 per cent by year's end.

The wholesale price index showed an annual rate of increase of 5.6 per cent in April and economists expect that the consumer price index will also indicate that the recent respite from inflation is ending.

While these economists do not necessarily expect the 5.5-per-cent rate to continue, they do fear further big jumps in the wholesale price index in coming months. Recently announced price increases in metals and gasoline have yet to show up in the index.

The most immediate reason for expectations of a price spurt is growing evidence that the recent declines in food and fuel are over. The 2.9-per-cent rise in consumer prices in the first quarter—the narrowest rise in nearly four years—reflected the effects of a 2-per-cent decline in food prices and a 2.1-per-cent drop in energy prices.

And if the recently lagged food and fuel prices are stripped out of the consumer index, a worrisome inflation picture emerges. According to Federal Reserve Board economists, the index minus these components rose at a vigorous 7.7-per-cent annual rate in the first quarter, up from 7.1 per cent in the preceding quarter and 5.8 per cent in the third quarter of 1975.

Especially troubling to some analysts are persistent, strong increases in charges for such services as medical care, insurance and utilities.

Fed chairman Arthur Burns, who believes that the economy's underlying inflation rate is a troublesome 6 to 7 per cent, sternly warns that "the menace of inflation is still with us" and expresses fear that it may intensify.

Two of the nation's top business forecasters also see trouble ahead. Otto Eckstein, president of Data Resources Inc., says that persistent price inflation "will keep wage demands high" and that "business, wary of recurring shortages, could start hoarding materials again," helping to create conditions that led to the last price spiral. Michael Evans

Westinghouse Eyes Sale of ACEC

Westinghouse Electric has begun negotiations with a Belgian consortium on the possible sale of its majority interest in Ateliers de Constructions Electriques de Charleroi (ACEC), a manufacturer of heavy electrical equipment and household appliances. The consortium includes both private industry and government agencies. Westinghouse purchased its 57.5-per-cent equity in ACEC in February 1970. The remainder is held by S&G Générale de Belgique, Belgium's largest holding company, and the public. Industry sources say the French Renault Schneider group is the most likely private bidder. They also say that the U.S. company may retain some of its holdings, possibly up to 20 per cent. The last published ACEC results showed the company made a 1974 loss of \$1.7 million Belgian francs (about \$2 million) after a 1973 loss of \$51.3 million francs.

Cavemham to Buy GA Shares

Cavemham Ltd. has reached agreement with Générale Alimentaire de France to acquire almost all of the GA shares that it does not own now. The transaction is valued by Cavemham at \$49.6 million. Cavemham, the U.S.-owned food group, already holds 47.7 per cent of the GA shares. The purchase would bring its holding to 97.5 per cent. For the 1.9 million GA shares being acquired, Cavemham will issue 19.77 million of its own shares and pay 12 million francs cash. At the same time, Cavemham estimates its pre-tax profit for the year ended April 3 will total \$24.1 million, up from \$27.1 million a year ago. The U.K. firm also intends to recommend total dividend of 5.3 pence for 1976-77, a 26.6-per-cent increase over 1975-76.

**ITT Says Payments
Made in Chile in '70**

From Wire Dispatches

PHOENIX, Ariz., May 12.—International Telephone & Telegraph Corp. told shareholders for the first time today that "possible" payments of \$350,000 may have been sent to Chile in 1970 to support the "democratic anti-Communist cause."

Holding its annual meeting, the company reported profits rose in the first quarter to \$119.3 million, or 92 cents per diluted share, from \$106.6 million, or 85 cents a share, in the first quarter last year.

Revenue rose to \$3.69 billion from \$2.84 billion. Addressing the meeting, chairman Harold Geneen said: "We have recent information tending to show that some \$350,000 of ITT funds may have been sent to Chile in the year 1970 for the purpose of supporting the democratic, anti-Communist cause there within the framework of their normal democratic process, but there is no information that even suggests any support of an irregular or violent action."

Mr. Geneen said it appeared from published reports that U.S. government authorities both "knew of and encouraged at that time funding of this type, by several corporations, as furthering the U.S. government's own objectives."

Mr. Geneen said this new information "isn't consistent" with his own previous knowledge of ITT activities in Chile. He had previously denied knowledge of such payments.

However, he said, any such action was entirely lawful and was for the purpose of protecting the company's \$153 million investment in Chile.

ITT reported two months ago that unidentified employees made unauthorized payments of \$3.8 million, mainly overseas, from 1971 through 1975.

Mr. Geneen told shareholders that these "deviations from our policy regarding political non-partisanship were very minor indeed."

He said these "sensitive payments" are not condoned by ITT, but they were "relatively small and would appear to have been responsive to customs and practices commonly accepted in those parts of the world in the past."

Mr. Geneen said ITT has "taken action to strengthen our procedures in an effort to eliminate these in the future."

The chairman also said this year's financial results will show a "significant gain" over 1975.

The company is continuing to recover in both its domestic and foreign operations, he said, and looks for "further gains in sales and earnings for both the second quarter and the second half."

**Profit-Taking
Hits Stocks**

NEW YORK, May 12 (UPI).—Prices closed mostly lower on the New York Stock Exchange today, with the market again failing to overcome profit-taking resistance above the 1,000-level of the Dow Jones industrial average.

The index closed at 1,005.67, off 0.94. It moved in a narrow range throughout the session.

Declining issues led gainers by about 500 to about 615, and volume totaled 18.51 million shares, compared with 25.59 million yesterday.

Analysis note that the market failed yesterday and several times earlier in the year to break out above the area from 1,000 to 1,011, which is the year's high thus far on the industrial index.

However, some analysts were encouraged by the stock market's holding action.

Abbott Laboratories surrendered 5.8 to 44 1/8 after the Food and Drug Administration ruled that cyclamate was not returned to the public market.

Abbott, a major cyclamate producer, said the FDA's decision would not have adverse impact on projected sales or earnings.

Prices on the Chicago Board Options Exchange declined, with losers topping gainers, 204 to 204. Turnover amounted to 82,861 contracts, down from 99,448 contracts yesterday.

Prices on the American Stock Exchange were mixed in moderate trading. The Amex index rose 0.08 to 105.01.

Profit-taking in the closing minutes sharply trimmed early soybean futures gains on the Chicago Board of trade, but wheat, corn and oats maintained good strength into the final bell.

**Bayer's Pre-Tax Profit Rose
by 49.7 Per Cent in Quarter**

EVERKUSEN, West Germany, May 12 (Reuters).—First-quarter tax profit rose by 49.7 per cent at Bayer AG, while sales fell 17.5 per cent, the company said today.

Providing figures for the company alone, Bayer said tax earnings totaled 217 million deutsche marks, up from 146 million in the depressed quarter of 1975.

Sales rose to \$4.46 billion, DM 2.09 billion DM in the year-end period.

Profits are back to normal after the bad results of last year, capacity use improving and a showing a clear decline, human Herbert Gruenewald said.

Gruenewald said a much higher dividend will be paid, the proposed 10 to 7 DM share from 8.50 DM in the 1975 dividend. The company had previously warned that a dividend would be payable.

The first-quarter result was slightly below the 230 million DM earned in the same period of 1974, and Mr. Gruenewald said the improvement had been seen against the poor result last year. "It is wrong to talk of a superboom, we are going back to normal," he said.

Solvay Net Declines
RUSSSEL, May 12 (Reuters).—Consolidated net profit of Solvay fell by 58.5 per cent in the first quarter of 1976, the major Belgian chemical company reported today.

Earnings were 1.25 billion francs (\$307 million), down from 3.8 billion francs in 1975. Sales fell to 80.3 billion francs from 100 billion francs.

The company proposed a net dividend of 170 francs, down from 185 francs. Gruenewald said the recession had

**Italy Gets
New Loans
From Europe**

BRUSSELS, May 12 (AP-DJ).—Italy has been authorized to draw \$465 million under three-months short-term swap facilities at the EEC's monetary cooperation fund and another \$600 million from the Bank for International Settlements, commission officials said today.

The authorization was decided by EEC central bank governors and governors of the BIS at a meeting in Basel yesterday, the officials said.

In Rome, officials of the Bank of Italy said Italy would draw on the EEC credit "fairly soon." There is no immediate intention to draw on the BIS credit.

When Italy draws on the latest EEC credit, its total foreign indebtedness will rise to \$15.955 billion. Of this, \$3.955 billion is due by September, but a number of the short-term debts involved can be renewed automatically.

According to the central bank, the following is a summary of Italy's debt position:

• Various foreign borrowings by state and private agencies, \$7 billion.

• From the West German central bank, \$2 billion due in September.

• From the stand-by facility of the International Monetary Fund, \$1.2 billion.

**Raw Materials
Recycling Plan
Started in France**

PARIS, May 12 (AP-DJ).—France expects to save 5 billion francs (about \$1.1 billion) on raw material imports by 1980, the Ministry for Industry and Research said today.

Projects which have already been started to recycle and process waste will ultimately save around 2.5 billion francs in the imports of copper, plastics and paper and wood, the ministry said.

Meanwhile, the overall price index of imports of raw materials rose by 13.6 per cent in April from a month earlier, the National Statistics Institute announced.

Last month the index, based on 1958 equals 100, stood at 237.4 compared with 209.3 in March. Year-on-year, the April index rose 37.8 per cent.

In the food sector, the index for imported raw materials rose to 237.5 in April from 254.2 in March and 202.7 in April last year.

**Kuwait Places Order
At British Shipyard**
LONDON, May 12 (AP-DJ).—Govan Shipbuilders Ltd. said today it had received an order from the Kuwaiti shipping agency for six 23,000-ton multipurpose cargo vessels.

The value of the order was put at \$50 million and is one of the biggest, it said, received by a U.K. shipbuilder in the last year.

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The value of the order was put at \$50 million and is one of the biggest, it said, received by a U.K. shipbuilder in the last year.

Govan spokesman said the order meant that the state-owned shipyard would be able to avoid cutting its work force of 5,600.

Suspended Payments
WASHINGTON, May 12 (Reuters).—The World Bank said yesterday it had suspended payments of some \$50 million in loans to three corporations of the East African Community because of delays in repaying installments.

The bank said it was owed a total of \$705,000 by the East African railways, harbors and postal corporations. The community groups Uganda, Kenya and Tanzania.

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Bank of the West		

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23%	23%
34%	34%
13%	13%
13%	13%
21%	21%
8%	8%
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13%	13%
11%	11%
18%	18%
12%	12%
13%	13%
19%	19%
3%	3%
27%	27%
12%	12%
7%	7%
2	2
24%	24%
47%	47%
27%	27%
25%	25%
27%	27%
15%	15%

Spencer Trask & Co.

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NYSE Nationwide Trading (3 O'clock) May 12[illegible][illegible]

CONSORZIO DI CREDITO PER LE OPERE PUBBLICHE CREDIOP

ENTE DI DIRITTO PUBBLICO
SEDE: VIA G. SELLA, 2 - ROMA

BALANCE SHEET AT 31 DECEMBER 1975 (in millions of lire)

ASSETS:

Loans	16,583,863
Securities	6,909
Current Accounts with Treasury, Bank of Italy and other Banks	2,265,650
Sundry Debtors	147,914
Accounts with Credit Institutions	73,697
Unamortized Bond Discount	240,684
Other Assets	9,332
	19,328,049

LIABILITIES:

Capital	15,300
Reserve Funds	21,204
Special Contingency Fund	304,112
Bonds	17,837,745
Matured Bonds and Accrued Interest	880,587
Loans in course of Disbursement	58,350
Accounts with Credit Institutions	10,554
Sundry Creditors	177,384
Other Liabilities	18,823
Profit	3,990
	19,328,049

ISTITUTO DI CREDITO PER LE IMPRESE DI PUBBLICA UTILITA' ICIPU

ENTE DI DIRITTO PUBBLICO
SEDE: VIA G. SELLA, 2 - ROMA

BALANCE SHEET AT 31 DECEMBER 1975 (in millions of lire)

ASSETS:

Loans	2,890,482
Securities	4,691
Current Accounts with Treasury, Bank of Italy and other Banks	565,318
Sundry Debtors	59,747
Accounts with Credit Institutions	38,523
Unamortized Bond Discount	116,156
Other Assets	8,992
	3,683,909

LIABILITIES:

Capital	21,000
Reserve Funds	14,662
Special Contingency Fund	80,193
Bonds	2,855,904
Loans	347,005
Advances Received	42,340
Loans in course of Disbursement	181,911
Accounts with Credit Institutions	9,506
Sundry Creditors	103,815
Other Liabilities	23,472
Profit	4,101
	3,683,909

Amex Nationwide Trading (3 O'clock) May 12

[illegible][illegible][illegible]

NORGES KOMMUNALBANK

Oslo

DM 100,000,000
7% Deutsche Mark Bonds due 1981

unconditionally guaranteed by the
KINGDOM OF NORWAY

Issue price: 700 1/2

WESTDEUTSCHE LANDESBANK
GIROZENTRALE

CREDIT SUISSE WHITE WELD Limited	KREDITBANK S.A. LUXEMBOURGEOISE	UNION BANK OF SWITZERLAND (Securities) Limited
DEUTSCHE GIROZENTRALE -DEUTSCHE KOMMUNALBANK-	MERRILL LYNCH INTERNATIONAL & CO.	SVENSKA HANDELSBANKEN
CHRISTIANIA BANK OG KREDITKASSE	DEN NORSKE CREDITBANK	FELLESBANKEN A/S
AFIN S.p.A.	CITICORP INTERNATIONAL BANK Limited	MANUFACTURERS HANOVER LIMITED
AL AHLI BANK OF KUWAIT (K.C. & C.)	COMMERZBANK Aktiengesellschaft	B. METZLER SEEL, SOHN & CO.
ALGEMEENBANK NEDERLAND N.V.	CREDITSTADTBANK VEREM	MORGAN GRIFFELL & CO. Limited
A.E. AMES & CO. Limited	CREDIT COMMERCIAL DE FRANCE	MORGAN STANLEY INTERNATIONAL
AMSTERDAM-ROTTERDAM BANK N.V.	CREDIT OMBIAS	THE NIKKO SECURITIES CO., (EUROPE) LTD.
ANDRESEN & BANKAAS	CREDITO ITALIANO	NOBILITA EUROPEEN V.
ARAB FINANCE CORPORATION S.A.L.	DANWA EUROPEEN V.	NORDDEUTSCHE LANDESBANK Girozentrale
ARAB FINANCIAL CONSULTANTS COMPANY S.A.K.	RICHARD DAUS & CO. Bankiers	NORDIC BANK Limited
ASIAC - ASIAN INTERNATIONAL ACCEPTANCES & CAPITAL Limited	DEN DANSKE BANK est 1871 Aktieselskab	SAL. OFFENHEIM JR. & CIE.
BACHE HALSEY STUART INC.	DEUTSCHE BANK Aktiengesellschaft	OSLO BANK Limited
JULIUS BAER INTERNATIONAL Limited	DE BANK DEUTSCHE GENOSSENSCHAFTSBANK	PIERSON, HELDRING & PIERSON N.V.
BANCA COMMERCIALE ITALIANA	DILLON, READ OVERSEAS CORPORATION	PKBANKEN
BANCA NAZIONALE DEL LAVORO	DRESNER BANK Aktiengesellschaft	PRIVATBANKEN A/S
BANCO DI ROMA	FIRST BOSTON (EUROPE) Limited	N.M. ROTHSCHILD & SONS Limited
BANK FÜR GEMEINWIRTSCHAFT Aktiengesellschaft	GIROZENTRALE UND BANK DER ÖSTERREICHISCHEN SPARKASSEN Aktiengesellschaft	SALOMON BROTHERS INTERNATIONAL Limited
BANK GUTZWILLER, KURZ BUNSGENER (Overseas) Limited	GOLDMAN SACHS INTERNATIONAL CORP.	J. HENRY SCHRODER WAGG & CO. Limited
BANKMEES & HOPEN V.	GROUPEMENT DES BANQUIERS PRIVES GENOIS	SKANDINAVISKA ENSKILDA BANKEN
BANQUE BRUXELLES LAMBERT S.A.	HAMBROS BANK Limited	SMITH BARNEY, HARRIS UPHAM & CO. Incorporated
BANQUE FRANCAISE DU COMMERCE EXTERIEUR	HAMBURGISCHE LANDESBANK -GIROZENTRALE-	SOCIETE GENERALE
BANQUE GENERALE DU LUXEMBOURG Société Anonyme	HANDELSBANK N.V. (OVERSEAS) Limited	SOCIETE GENERALE DE BANQUES S.A.
BANQUE DE L'INDOCHINE ET DES INDES	HESSISCHE LANDESBANK -GIROZENTRALE-	SPARKASSENKAS BANK A/S
BANQUE INTERNATIONALE ALI LUXEMBOURG S.A.	HILL, SAMUEL & CO. Limited	STRAUSS, TURNBULL & CO.
BANQUE LAMBERT LUXEMBOURG S.A.	KANSALLS-OSAKE-PANKKI	SWISS BANK CORPORATION (OVERSEAS) Limited
BANQUE NAZIONALE DE PARIS	KIDDER, PEABODY INTERNATIONAL Limited	TRINKAUS & BURKHARDT
BANQUE NORD EUROPE S.A.	KJØBENHAVNS HANDELSBANK	UNION BANK OF FINLAND LTD.
BANQUE DE PARIS ET DES PAYS-BAS	KLENOWITZ, BENSON Limited	UNION DE BANQUES ARABES ET EUROPEENNES S.A. - U.B.A.E.
BANQUE POPULAIRE SUISSE S.A. LUXEMBOURG	KREDITBANK N.V.	VEREINS- UND WESTBANK Aktiengesellschaft
BANQUE DEL UNION EUROPEENNE	KUFN, LOEB & CO. INTERNATIONAL	M.M. WARBURG-BRINCKMANN, WITZ & CO.
BAYERISCHE HYPOTHEKEN- UND WECHSEL-BANK	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.L.	S.S. WARBURG & CO. LTD.
BAYERISCHE LANDESBANK GIROZENTRALE	LAZARD BROTHERS & CO., Limited	WESTLS INTERNATIONAL S.A.
BAYERISCHE VEREINSBANK		WOOD GUNDTY LIMITED
BERGEN BANK		YAMACHIKI INTERNATIONAL (EUROPE) Limited
BERLINER BANK Aktiengesellschaft		
BERLINER HANDELS- UND FRANKFURTER BANK		
GUNNAR BÖHN & CO. A/S		
CAISSE DES DEPOTS ET CONSIGNATIONS		

Carl Gewirtz
on the Euromarket.
Every Monday. You can't afford to miss it.
International Herald Tribune

